

Paradise, California: Rebuilding Resilient Homes after the Camp Fire

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Executive Summary

The Town of Paradise employed innovative tactics with state and federal support to empower low-to-moderate income residents to rebuild their homes safely and navigate disaster assistance options after the Camp Fire. Establishing a Building Resiliency Center provided a single place to assist property owners with their rebuilding needs and questions. Direct engagement with impacted residents and a focus on customer service helped overcome challenges and provides an example of trauma-informed disaster assistance at the local level.

Part One

Background

Everything had changed. Every property within the Town of Paradise was impacted by the fire. Burnt trees and piles of rubble now stood where a green envelope had once drawn the community together. Paradise had been in the direct line of fire of the Camp Fire, at the time the deadliest and most destructive wildfire in California’s history.

“...Our town was forever changed by the Camp Fire. Now it is time to begin rebuilding for our families and neighbors.” – Jody Jones, Mayor, Town of Paradise



Figure 1. Some of the remains of the Camp Fire that destroyed homes and property in Paradise in November 2018. Source: Paradise Long-Term Recovery Plan.



FEMA

The Town of Paradise is a rural mountain community in Butte County, California with a 2018 population of around 26,600 residents, many of whom were lower income retirees or commuters that had been attracted to the area by affordable housing stock in the wildland-urban interface. What started as an electrical spark at 6:30 a.m. on November 8, 2018, destroyed over 90% of Paradise within six hours. The fire took 85 residents' lives and damaged or destroyed over 19,000 homes, businesses, and community structures. The Camp Fire displaced roughly 50,000 people and left the vast majority of the population of the rural mountain community without a home or place of employment.

California Governor Jerry Brown declared a State of Emergency in Butte County on November 8, with President Donald Trump issuing a Major Disaster Declaration for California just days later. California deployed its six state-led [Recovery Support Functions](#) (RSFs) comprised of state agencies that mirror the federal RSFs in the [National Disaster Recovery Framework](#) (NDRF) in their approach to supporting local government's disaster recovery goals. The California Governor's Office of Emergency Services (CalOES) deployed its Interagency Recovery Coordination (IRC) team to manage the RSFs shortly after the incident and begin supporting the affected local jurisdictions. FEMA also deployed an IRC team in late November to evaluate federal support needed. FEMA activated all six federal RSFs by January 2019, including the Community Assistance (formerly CPCB) and Housing RSFs to assist Paradise in its planning and housing recovery missions.

Activated Federal Recovery Support Functions (RSFs)

- Community Assistance – led by FEMA
- Housing – led by the United States (U.S.) Department of Housing and Urban Development (HUD)
- Economic Recovery – led by the U.S. Economic Development Administration (EDA)
- Infrastructure Systems – led by the U.S. Army Corps of Engineers (USACE)
- Natural and Cultural Resources (NCR) – led by the U.S. Department of the Interior (DOI)
- Health and Social Services (HSS) – led by the U.S. Department of Health and Human Services (HHS)

Challenges

Site Issues and Barriers to Accessing Properties: Survivors of the Camp Fire faced numerous challenges following the fire as they attempted to safely return home. Survivors were widely dispersed and had to drive long distances to visit the burned area, made worse by road closures caused by hazardous conditions in the mountains. **The immediate danger was the thousands of hazardous burned trees on private property at risk of falling. These burned trees needed to be removed from property before other rebuilding efforts could begin.** Soil also became contaminated by burn damage, which required testing and remediation before sites could be accessed by inspectors and insurance agents. These were critical steps in resolving insurance disputes or conducting post-fire site assessments but added to the cost and time needed to rebuild a home.

Rebuilding Challenges: Lack of access to water and wastewater services while water infrastructure and septic systems needed to be inspected, tested, and replaced was reported as a barrier to rebuilding survivors' homes. Additional barriers included smoke damages ineligible for repair reimbursement under insurance or federal programs and a shortage of contractors resulting in a long waiting list. **Rebuilding costs were often prohibitively high, due in part to excessive demand on the construction industry and upgraded fire and seismic building codes.**

Higher Costs Associated with Strengthened Building Codes: Strengthened state requirements for reconstruction promised to reduce future wildfire and earthquake risks for those who rebuilt by improving requirements for defensible space around homes in wildland urban interface (WUI) areas and improving structural seismic requirements. After the Camp Fire, the Town of Paradise also adopted strengthened building codes and zoning ordinances to improve fire safety through hardened building envelopes and fuel reduction requirements with support and guidance from the California Governor's Office of Planning and Research, IRC Sustainability Advisor (staffed by U.S. Environmental Protection Agency), and FEMA Community Assistance RSF Coordinator. In 2008, California passed a law to help address higher rebuilding costs after fires that requires insurers to pay for the current cost to reconstruct a destroyed home, including complying with all current local and state building codes, instead of paying for the value of the home at the time of the fire.

Insurance Disputes: Homeowners faced challenges with both underinsurance (insufficient insurance coverage that leaves the policyholder responsible for a large percentage of the total loss) and the claims process. Most survivors with homeowner's insurance reported they were working with an out-of-state insurance claims adjuster, typically adjusters without knowledge of the state's requirements, which led to compliance issues and low settlement offers. **Many survivors of the Camp Fire reported that they didn't know if the amount the insurance company offered them to cover damages was correct and reported that the insurance offer was far too low to rebuild their homes given escalating construction costs.** To dispute the claim, they would have to hire a lawyer for arbitration and/or hire a professional estimator to prove their actual cost of rebuilding was higher than the insurance settlement offer. Survivors noted the cost of hiring a lawyer, difficulty of obtaining a reconstruction estimate, lack of available estimators, and complexity of appealing insurance decisions presented high barriers to resolving low insurance settlement offers. Notably, one insurance company providing policies to many property owners in Paradise was unable to cover the volume of claims and was declared insolvent by a county court. The California Department of Insurance liquidated the company's assets, leaving some Paradise homeowners in a lurch.

Applying for Federal Financing Assistance: Many homeowners indicated that they were under the impression that if they had held homeowners' insurance, they weren't able to qualify for any assistance under FEMA's Individual Assistance (IA) programs. Survivors reported they had received initial letters of ineligibility from FEMA that led them to believe this and were not informed as policies changed. Some households also applied for assistance through the U.S. Small Business Administration (SBA), which is a pre-requisite for certain FEMA IA funding. The application period for both FEMA and SBA post-disaster assistance closed at a time when most survivors had not resolved their insurance claims due to the unique challenges posed by the post-wildfire conditions. SBA and FEMA strove to alleviate the short timeframe to apply for assistance by extending their original deadline of January 11, 2019, to January 31, 2019, and then extending again to February 15, 2019. Compounding this was further uncertainty about the resolution of an uncommon funding source – the legal resolution from an ongoing class-action lawsuit against a third-party, the Pacific Gas & Electric Company. **Most survivors had not resolved their low insurance claims nearly a year after the wildfire, and many applicants were subsequently denied for FEMA and SBA assistance because requirement deadlines passed during the widespread insurance settlement delays.** As a result, most survivors waited in limbo for their insurance settlements, experienced financial hardships to afford interim housing in shelters or motels or camped in hazardous conditions on their burned property.

Stress and Access to Technology: According to Paradise officials, some survivors were emotionally and physically overwhelmed, lacked stable access to technology, or had lost the required documentation to apply for assistance, leaving them unable to successfully navigate the federal disaster assistance requirements within the eligibility

timeframes on their own. This was especially true for elderly, disabled, and low-income populations, a significant portion of Paradise’s residents. The trauma and emotional impacts of experiencing a disaster can be intense and can make it more difficult to make decisions during the recovery process according to the [American Psychological Association](#). Recovery managers reported there was a very high demand for a limited amount of disaster case managers, which delayed households’ transition from temporary shelters to permanent housing solutions.

As a result of these challenges and other circumstances, nearly three years after the Camp Fire only 17% of the original population of Paradise remained in or had successfully rebuilt in the town. The town’s administrators knew they needed to find new ways to help their residents overcome these barriers and safely rebuild their homes.

U.S. Small Business Administration (SBA) Role in Disaster Recovery

Small Business Administration (SBA) disaster loans are the primary source of money to pay for repair or replacement costs not fully covered by insurance or other compensation. The SBA offers low-interest disaster loans to businesses of all sizes, most private nonprofit organizations, homeowners, and renters. Businesses may borrow up to \$2 million for any combination of property damage or economic injury. Homeowners may borrow up to \$200,000 to repair or replace their primary residence, and homeowners and renters may borrow up to \$40,000 to replace personal property. Survivors may apply online using [SBA’s secure website](#) or in person at any Disaster Recovery Center.

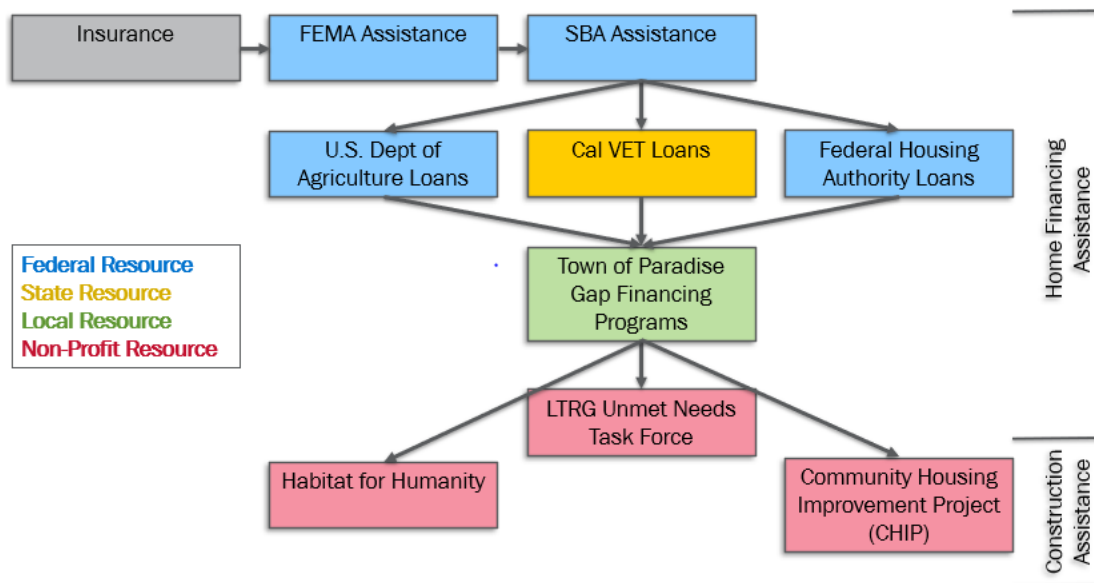


Figure 2. The image shows the Paradise Building Resilience Center’s (BRC)'s guide to resources available from private, federal, state, local, and non-profit sources. The BRC is an office the Town of Paradise created to help residents navigate available resources in their journey to rebuild their homes. According to its guide, the survivor must first examine the insurance proceeds available to them, if applicable, then apply for FEMA assistance, and then apply for SBA assistance. After that, they need to determine if they may also be eligible for USDA, FHA, or state loans. Depending on how much assistance has been provided by private, federal and state sources of housing repair funds, the Town of Paradise provides a gap financing program, through which residents could receive additional financial assistance to rebuild. If there remain gaps in financing needed by a homeowner after governmental resources have been exhausted, the Paradise BRC can direct them to the Long-Term Recovery Group’s (LTRG) Unmet Needs Task Force and non-profit organizations.

PART TWO

Actions

The town government leveraged all available resources and took an innovative, proactive approach to meeting the housing needs of its community and addressing the home rebuilding challenges residents were facing.

The town manager strove to facilitate a resident-driven long-term community recovery planning process. The community's aspirations for the future were at the heart of every decision made over the next several years of recovery. To do this, they needed funding, capacity, and technical expertise. A generous donation from the regional partnership Butte Strong Fund allowed the town to kick-start its recovery planning process by hiring a local disaster recovery manager. The joint state and FEMA Community Assistance team provided additional capacity and technical expertise. See Appendix A for a timeline of the capacity added to the Town of Paradise team to manage recovery efforts.

Paradise completed development of its [Long-Term Community Recovery Plan](#) seven months after the disaster in partnership with residents and began implementing prioritized actions that would aid residents' recovery journeys. The town utilized and leveraged its two existing housing initiatives – the Rehab/Rebuild Program and First Time Homebuyer Program – to advance housing recovery efforts. One major housing initiative the town implemented shortly after completing its Long-Term Community Recovery Plan was setting up a Paradise Building Resiliency Center (BRC). Butte County developed a [Re-Build Packet](#) to aid survivors of the Camp Fire with understanding local requirements for reconstruction, including defensible space. In addition, the Town of Paradise and Butte County provided a temporary 50% discount on all rebuilding permitting fees. All measures helped residents to overcome the gaps in rebuild financing that they were facing. The measures were especially helpful for low-to-moderate income households, defined by the county as those earning equal to or less than 120% of the median annual income in Butte County, which was \$54,972 in 2020 according to the U.S. Census Bureau.

Rehab/Rebuild Program: The Town of Paradise used this program to help fill funding gaps in access to home financing with up to \$150,000 in low-interest, deferred payment loans for lower income households. To fund the program, the town applied for a grant from the CalHOME Disaster Assistance Program, which is separate from the regular CalHome Program. One program requirement was that the borrower must maintain fire insurance coverage after rebuilding their home and stay up-to-date with property tax payments and other required payments. The California Housing and Community Development (HCD) also administered a separate, but similar Owner-Occupied Housing Rehabilitation and Reconstruction Program under HUD's Community Development Block Grant Disaster Recovery (CDBG-DR) Program, which provided financing up to \$200,000 for affected residents. Due to the high construction costs in California, HCD later amended the CDBG-DR Action Plan to increase the maximum award cap to \$500,000.

First Time Homebuyer (FTHB) Program: The town made their FTHB program available to property owners who no longer owned a habitable structure. The FTHB program provides down payment assistance and loan products for householders within its income limits (defined as earning equal to or less than 80% of the median annual income in Butte County). The town administration notes that the FTHB program was of limited assistance in the post-fire context because there were next to no homes available in the area for purchase, and the few available were not affordable for low-income households. HCD also amended the state CDBG-DR Action Plan to administer a similar,

but separate Homebuyer Assistance Program to provide down payment and other housing assistance up to \$350,000.

Building Resiliency Center: On October 22, 2019, the Town of Paradise launched a soft opening of an innovative office called the “Paradise Building Resiliency Center”, or “BRC” for short. The goal of the BRC was to provide a physical place to assist homeowners navigating the process of rebuilding. The town staffed the BRC with community planners and “rebuild advocates” as guides who could listen to residents’ needs and help discuss possible options for a variety of rebuilding issues and challenges.

The local disaster recovery manager noted that the face-to-face interaction to address housing challenges was crucial for rural residents who are reluctant to share personal information over the phone. The town started by offering 45-minute appointments with a rebuild advocate to residents who inquired about the town’s Rehabilitation/Rebuilding gap financing program. The BRC expedited home planning/permitting/rebuilding services and helped to ensure transparency, convenience, and strengthened building standards were part of the rebuilding process. As the post-disaster decision process faced by a homeowner can be complex and difficult to navigate (see Figure 2), the BRC provided an invaluable service to residents seeking to rebuild, saving residents and the community time and money. The types of resources the BRC connected residents with are shown in Figure 3.

The permanent BRC facility opened January 27, 2020 and continues to operate as a one-stop-shop for residents looking to rebuild their homes in Paradise. The Bank of America donated the building, and the town received grants to use for renovations and equipment, including a \$148,300 grant through USDA Rural Development’s Community Facilities Grant Program and two separate \$20,000 donations from AT&T and the Ray Morgan Company. North Valley Community Foundation’s Butte Strong Fund provided \$346,953 in grant funds to support BRC including building renovations, equipment, and ongoing operational expenses. In April 2020, the California Department of Housing and Community Development provided \$160,000 in planning grant funds authorized by Senate Bill 2 (2017) in coordination with the California Office of Planning and Research to support two full-time rebuild advocate positions, providing a more permanent staffing solution. The BRC houses the town’s Building Permit Department; a Butte County Building Permit satellite office; housing counselors; finance specialists from HUD, USDA, Fannie Mae, and CalHOME Program; and information on potential funding/grant resources from other state and federal agencies.

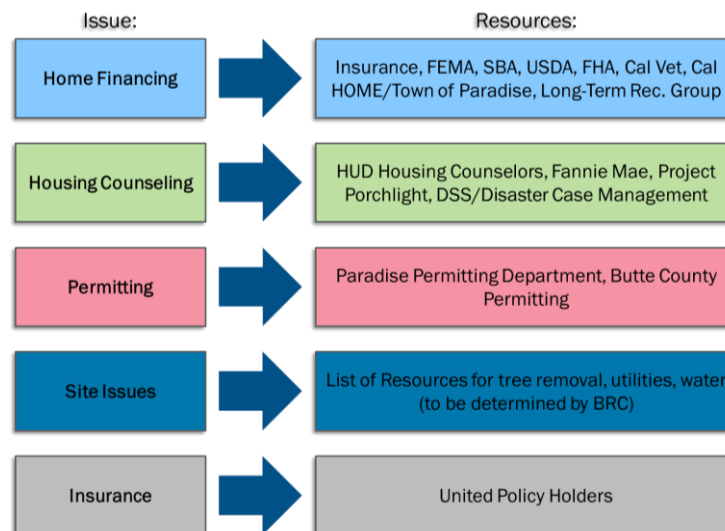


Figure 3. The BRC referred survivors to a variety of resources to help them address commonly experienced issues in the rebuilding process, including financing, counseling, permitting, and insurance issues.

The California and federal Housing RSFs supported Paradise’s BRC by providing initial staffing, guidance, tools, and trainings. Guidance for the BRC prepared by the state and federal Housing RSFs under the direction of the Town of Paradise included:

- In-person trainings on interagency recovery resources from state and federal sources;
- A step-by-step job aid for new rebuild advocates guiding them through the conversations with rebuilders;
- A loan affordability calculator to help communicate expectations around available financing options;
- A comprehensive list of resources related to Insurance/SBA/FEMA, housing counseling, permitting, site issues, and financing/loans/grants operations and key information about how to select the right resources for a particular rebuild depending on their circumstance and stage in the rebuilding process; and
- A checklist for follow up calls made to survivors who had visited the BRC.

The partners of the BRC effort included:

- Town of Paradise
- Butte County
- North Valley Community Foundation, Rebuild Paradise Foundation, and other philanthropic partners and nonprofit organizations
- California Governor’s Office of Emergency Services
- California Department of Housing and Community Development – CalHOME and California Community Development Block Grant (CDBG) Programs
- State of California Insurance Commissioner
- Federal Emergency Management Agency (FEMA) – Interagency Recovery Coordination (IRC), Hazard Mitigation Grant Program (HMGP), and Voluntary Agency Liaisons (VAL)
- U.S. Small Business Administration (SBA)
- Bank of America and other banking partners
- U.S. Department of Agriculture (USDA)
- U.S. Economic Development Administration (EDA)
- U.S. Department of Housing and Urban Development (HUD)



Figure 4. The Building Resiliency Center opening ceremony in January 2020. Source: MakeitParadise.org.

Camp Fire Recovery Septic Repair and Replacement Pilot Program: The State Water Resources Control Board (SWRCB) created a pilot program to provide grants for wells and septic replacements for households affected by the Camp Fire. Homeowners who owned the property at the time of the fire and were uninsured, or under-insured, are eligible to apply for the grants. Before a residential building permit can be issued, the town and county require the septic system to be inspected and repaired if necessary.

Free Burnt Tree Removal: Other actions taken by the state that supported the BRC among other recovery objectives of the Town of Paradise included setting up a free burnt tree removal program for private property owners, funded by FEMA's Public Assistance program. The clean-up process involved the survivor providing a Right of Entry (ROE) form to allow state contractors onto their property, a site assessment, asbestos check, removal of the debris, soil samples, and ensuring erosion control. The Tree ROE form was the linchpin to the government's burnt tree removal efforts as it provided a mechanism to allow access to private properties to assess and identify hazardous trees, and safely and efficiently remove them to clear the way for rebuilding at no out-of-pocket cost to participating property owners. To avoid duplication of benefits, residents were sometimes required to remit a portion of insurance claim payments specifically designated for tree removal.

Results

Expedited Timelines: As of August 2022, the BRC helped issue **2,270** permits for single family homes and **429** permits for multi-family homes. In the context that Paradise is a small town and there were a total of 8,944 local homeowners registered for FEMA Individual Assistance, these numbers represent a sizeable portion of the survivor community in Paradise. Prior to the BRC opening, residential building permits took an average of eight weeks from application to issuance. Within two years, the average processing time for permit issuance was down one week, and by 2022 was down by three weeks. This demonstrates one way the Town of Paradise's efforts to improve service to survivors paid off.

Resilient Reconstruction: A total of **1,527** single-family and **340** multi-family homes were fully rebuilt to meet the strengthened state and county building standards. In addition, at least **26** homes and **1** church in Paradise were designed for reconstruction using cutting-edge ignition-resistant building materials and stick-built alternative construction methods to increase fire resiliency, such as Autoclaved Aerated Concrete, Insulated Concrete Forms, and Q Cabin Kits.

Affordable Housing: A part of this effort included the reconstruction of the Paradise Community Village, a 35-unit affordable multi-family housing asset operated by the regional self-help housing nonprofit Community Housing Improvement Program (CHIP), that was destroyed by the Camp Fire. Construction began in August 2020 and was completed in September 2021. Priority for obtaining one of these units was given to prior residents of Paradise Community Village, then the Camp Fire survivors in FEMA's Direct Housing Program, and then general Camp Fire survivors. The FEMA Voluntary Agency Liaison and the California Individual Assistance team had successfully advocated for priority preference for survivors in the Direct Housing Program, resulting in several Direct Housing applicants being approved for these units.

Trauma-Informed Service: Most of the assistance provided by the rebuild advocates involved listening to the survivor's story, referring them to resources that could help address their challenges, and conducting follow-up calls. The rebuild advocates were able to help residents overcome commonly experienced issues by:

- Identifying individuals experiencing trauma and referring them to the Disaster Crisis Hotline and CalHOPE for emotional and mental health assistance;
- Referring homeowners to organizations and resources that could help appeal insurance offers and navigate housing assistance, such as Project Porchlight, Butte County legal hotline, or United Policyholders;
- Advising survivors to reopen and appeal their FEMA and SBA cases (if they had initially applied) once their insurance case was resolved, which could make them eligible for other forms of federal assistance;
- Providing residents with information about other sources of financing from the USDA, HUD Federal Housing Administration (FHA), California Housing Finance Agency (CALHFA), California Department of Veterans Affairs (CALVET), Town of Paradise's Rehabilitation/Rebuild Program, and conventional mortgages from banks;
- Preparing a matrix of financing programs, eligibility, and advantages to provide a tailored, illustrative pathway to financing each household's rebuild goals;
- Providing educational materials on the benefits of using ignition resistant building materials;
- Providing information on the debris removal process, including soil sampling, getting well water tested, and resolving septic tank issues;
- Helping rebuilders find state-licensed contractors and septic-system evaluators; and
- Providing guidance on zoning and maintaining a defensible space around the property to reduce fire hazards.

Survivors reported they particularly appreciated a BRC service that calculated a household's housing recovery financial plan considering their unique financial picture. Survivors reported feeling a sense of relief at being able to see their path forward to rebuild for the first time, even if the plan was just an estimation of what was possible.

The rebuild advocates expressed that all survivors who visited them, no matter how capable, were still under a lot of emotional stress and in need of someone to listen to their story and provide support and guidance on how to approach the next step of their individual rebuild journey. They noted **the face-to-face interaction with each client helped the survivor feel like they were not alone.**

Lessons Learned

- Wildfires can produce a magnitude of damage and complexities that result in long rebuilding processes. Paradise has continued to rise from the ashes and rebuild at an astounding rate. The town's commitment to overcome recovery challenges has made them a valuable source of advice for peer communities more recently impacted by fire.
- Proactive state and local recovery planning are needed both pre- and post-disaster to mitigate risks of low-income homeowners becoming displaced or unhoused due to wildfire disasters. California's implementation of its state recovery framework and strong Housing Recovery Support Function (RSF) and Housing Task Force structures have aided the recovery efforts in Paradise and in many other wildfire-impacted communities.
- Recovery policies and outreach strategies that support affordable rehousing options can reduce post-disaster disparities and improve equitable recovery outcomes. Examples include establishing the Building Resiliency Center, leveraging the Town of Paradise's existing grant programs, and utilizing California's flexible disaster assistance program.

- Local governments should include outreach strategies that consider the psychological and emotional impacts of trauma in pre- and post-disaster recovery planning. Community outreach and face-to-face communication helped Paradise residents resettle and recover their homes after the Camp Fire.
- Before the fire, the town and local housing partners already administered and implemented federally and/or state-funded programs, such as from USDA or HCD, that helped reduce the need to establish these programs from scratch after the fire, helping people get the housing help they needed faster.
- Paradise officials note that communicating the inter-linkages of homeowner's insurance resolutions, FEMA assistance, and SBA assistance is important. For example, survivors need to know that finalizing any insurance settlements is a pre-requisite to determining eligibility for FEMA and SBA benefits, and that households must have an estimate of the costs to construct their new home before they can determine what financing options are open to them.

Additional Resources

- [Building Resiliency Center | Paradise, CA \(townofparadise.com\)](#)
- [Town of Paradise Long-Term Community Recovery Plan](#)
- [DR-4407-CA | FEMA.gov](#)
- California Office of Emergency Services [Recovery Interagency Recovery Coordination \(IRC\) \(ca.gov\)](#)
- [2018 Camp Fire \(Paradise\) - Insurance Claim and Recovery Help - United Policyholders \(uphelp.org\)](#)
- U.S. Department of Housing and Urban Development, Housing Counselors: 1 (800) 569-4287
- Project Porchlight: 1 (800) 837-9815
- [Next10-Rebuilding-Resilient-Final.pdf](#)
- U.S. Department of Agriculture (USDA) Rural Development Housing Resources (*this is not a complete list, but include some of the more commonly used programs in Paradise, California)
 - [Single Family Housing Guaranteed Loan Program](#)
 - [Single Family Housing Direct 502 Loan Program](#)
 - [Single Family 504 Grant / Loan Repair Program](#)
- [Autoclaved Aerated Concrete \(concrete.org\)](#)
- [Insulated Concrete Forms for Wildfires Case Study | The Insulating Concrete Forms Magazine](#)
- [Q Cabin Kits \(thecabin.com\)](#)

Appendix A. Timeline of Paradise Recovery Capacity Built

The graphic below was provided by the town to show the actions taken to add staffing capacity and contract support to their team to support local recovery efforts. The timeline spans from November 2018 to November 2021.

Paradise Capacity Building (Nov. 2018 to Present)

